## IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

BRIAN MILLER, et al.,

Plaintiffs,

v.

Civil Action No. 05-010-JJF

COMPUTER SCIENCES CORPORATION, Defendant.

# APPENDIX TO DEFENDANT'S OPENING BRIEF IN SUPPORT OF ITS MOTION FOR SUMMARY JUDGMENT

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Date: May 24, 2006

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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE
BRIAN MILLER, HECTOR CALDERON, )
CHARLES FOLWELL, DAWN M. )
HAUCK, KEVIN KEIR, ASHBY )
LINCOLN, KAREN MASINO, ROBERT )
W. PETERSON, SUSAN M. POKOISKI, )
DAN P. ROLLINS, and WILLIAM )
SPERATI, )

Plaintiffs, )

V. ) C.A. No. 05-10-JJF
COMPUTER SCIENCES CORPORATION, )
Defendant. )

Deposition of WILLIAM E. SPERATI taken pursuant to notice at the law offices of Potter Anderson & Corroon, Hercules Plaza, 6th Floor, Wilmington, Delaware, beginning at 9:25 a.m., on Thursday, January 12, 2006, before Kimberly A. Hurley, Registered Merit Reporter and Notary Public.

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- 13 1 Α. I don't know whether it's a level issue or a 2 job description issue. I don't know the plan, but my 3 understanding is it was intended for management, and I 4 was not and never have been management. 5 Management is at what level of the 6 organization, do you know? 7 Α. No. What was the highest level of the organization 8 0. 9 that you reached? 10 Α. Level 6. 11 Q. As a level 6 employee, you were not a manager? 12 Α. I was not a manager as a level 6. 13 Q. Your claim is that, when they notified you in 14 September of 2003, they notified you that you wouldn't be 15 participating at all for that entire fiscal year? 16 Α. Correct. 17 Q. And that meant that they were saying that, as of April 1 of 2003, you wouldn't be participating. 18 19 Α. Correct. 20 Q. You felt that was a retroactive change? 21 Α. Yes. 22 That's your claim, that for the period of 0.
  - WILCOX & FETZER LTD.
    Registered Professional Reporters

April 1, 2003, through the time that you were notified in

September of 2003, you had been participating, in your

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14 1 mind? 2 Α. Yes. 3 And that you're entitled to the compensation Q. 4 out of AMIP for that period of time. 5 Α. Yes. 6 You're not claiming any entitlement to AMIP Q. 7 compensation from September of 2003 on. 8 Α. Because I was notified at that point that 9 my participation had been terminated. 10 Q. You understand that the company had the right 11 to do that, to tell you that you would no longer be 12 participating in AMIP and they could do that on a 13 going-forward basis? 14 I assumed that they have the legal right to do 15 that. 16 Because they can change the terms and 0. 17 conditions of your employment. 18 Α. Right. 19 Q. You were an at-will employee, correct? 20 Α. Yes. 21 Q. Are you still employed by CSC? 22 Α. Yes. 2.3 Q. You remain an at-will employee, correct? 24 Α. I don't know what that means, but yes. I



- remain an employee under the same way I have always been an employee.
  - Q. At-will means you have no contract of employment, correct?
    - A. I have no contract.
  - Q. You understand that the company can change the terms of your employment going forward?
    - A. Yes.

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- Q. And that is what you thought they were doing in September of 2003, but you thought they were going to do it from September 2003 going forward. You didn't think they were going to do it from April through September.
- A. I don't think that you can terminate -- you can tell somebody, oh, you weren't -- we're not paying you for that period of time, give us the money back. I don't know how you can do that.
  - Q. Let's just be clear, though. They hadn't yet paid you anything, correct?
- 19 A. No.
- Q. So they weren't asking you to return any money, correct?
- 22 A. No.
- Q. Is that correct?
- A. It's accrued and prorated.

1	Q.	Have you ever declared bankruptcy?	20
2	A.	No.	
3	Q.	Have you ever made a claim for unemployment	
4	benefits?		
5	A.	Yes.	
6		When was that?	
	Q.		
7	А.	1971.	
8	Q.	How long have you worked for CSC?	
9	Α.	Since we transitioned in June of 1997.	
10	Q.	You were working with DuPont before that?	
11	Α.	Yes.	
12	Q.	How long had you worked for DuPont?	
13	Α.	Twenty-seven years.	
14	Q.	So you worked for DuPont since 1970?	
15	Α.	'71.	
16	Q.	Since 1971 with DuPont?	
17	А.	Yes.	
18	Q.	And then from there on out you have been	
19	working w	ith CSC?	
20	Α.	Yes.	
21	Q.	Have you ever made a claim for workers'	
22	compensat:	ion benefits?	
23	Α.	No.	
24	Q.	Do you have any relatives who work for CSC?	



- Q. And earnings per share?
- 2 A. In those years that that was the criteria, yes.
  - Q. So some years it was earnings per share; some years it was other criteria?
    - A. Yes.

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- Q. What were the other criteria that might be used?
- A. Return on investment, operating income. All years prior to 2000 -- fiscal 2003, the immediate prior year, a component, I think it was roughly 20 percent, was based on the definition and meeting personal objectives. In other words, I had a specific contribution that, if I did certain specific tasks at a certain level, then I would get X percent of the 20 percent would go into the calculation.

The individual component was not part of the calculation for fiscal 2003. It had been in prior years. I do not know what the formula was and whether it had a personal contribution component for 2004 or not.

- Q. Because you never received a --
- A. -- statement of how it was going to be calculated for that year.
- Q. Every other year you had received such a statement, but in the fiscal year 2004 --

- A. I did not get it. Had not received it at the time I was notified that I was not a participant.
  - Q. So you did not know how it would be calculated for that year.
    - A. Right.

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- Q. Do you remember when you first started working for CSC, the day?
- 8 A. June 1st, 1997.
  - Q. What was the position that you assumed at CSC?
- 10 A. Programmer/analyst/consultant. I think the
- 11 | title was computer scientist.
- 12 Q. What projects were you working on?
- 13 A. I was working on the DuPont SAP project.
- 14 Q. What group were you in?
- 15 A. The SAP Group.
- Q. Were you in the Chemical Group, TMG --
- 17 A. Well, okay --
- MR. WILSON: Let him finish asking his
- 19 question.
- 20 BY MR. SEEGULL:
- Q. Were you in the Chemical Group, TMG, CEG, GIS?
- 22 What was the overall group you were in?
- A. At the time it was called Horizon Initiatives.
- 24 | So it was the Horizon Initiatives Group. It got renamed



- A. Again, it went through names. It had ended up being called Global Transformation Services, GTS.
- Q. But that's the same group that had been called TMG and Chemical?
  - A. From my view of the world, yes.
- Q. Let's call that the Chemical Group. Who was the head of the Chemical Group when you were told you were no longer going to be participating in the AMIP program?
- A. I think it was Nick Wilkerson, but I'm not sure. I don't have dealings at that level that I really pay attention. That's one of the names of the people who periodically talked to us. I'm not sure whether he's at the top or one level down for DuPont.
  - Q. Was he a vice president, do you know?
- 16 A. I don't remember. I believe so.
- 17 Q. You received an AMIP each year you were at CSC?
- 18 A. Yes.

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- 19 Q. Up until that point in September of 2003.
- 20 A. Yes.
- Q. Let's talk about that. How much did your AMIP payments range from?
- A. The last one was in the \$30,000 range. I think
  the low was around 20, but I don't remember the number.



- 1 Q. You're saying those payments to you were made 2 in May of every year?
  - A. Yes.
  - Q. And they were made for the prior fiscal year?
- 5 A. Yes.

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- Q. Why did the payments not get made until May of the year?
  - A. Because one component of the calculation -- all the components of the calculation are based on the accomplishments through the year, financial or personal.
  - Q. So it takes a while to reconcile the prior fiscal year?
  - A. Basically they have to -- you got to close the books to know how much money you made. If you met those objectives, you have to use those numbers. And the annual personnel review for your individual accomplishments also happens on that fiscal year-end timing.
  - Q. There's a number of things that have to finish and wrap up and be analyzed before they can put it into the formula to figure out how much bonus you will get?
    - A. Right.
  - Q. Then after that it takes even more time to send out this formula for next year's bonus.

A. Right.

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- Q. When, generally, did you receive the formula
  for the following year's bonus? Would that sometimes be
  October or November, December?
- A. In the August-to-November time frame somewhere.

  I don't ever remember it being discussed much before

  August, and I remember I think the year before it was

  October/November when they finally came through and

  said --
- 10 Q. Here's how we're going to calculate.
- 11 A. -- here's how we're going to do it and, by the
  12 way, there won't be an individual component.
  - Q. That was the first year they said that?
- 14 A. Yes.
- Q. It changed year to year how they weighted the components and what the components would be?
- 17 A. Yes.
- 18 Q. That wasn't particular to you; that was across 19 the board?
- 20 A. As I understand it.
- Q. When you came into the CSC organization, what level were you?
- A. Five. I had been a 5 at DuPont. CSC didn't have that sublevel distinction, so I became a 5.



Cas	se 1:05-cv-00010-JJF Documen William E. Ripodati 5/24/2006 Page 14 of 53
1	38
	Q. What was the title level?
2	A. I was called a computer scientist.
3	Q. How long did you stay at that level?
4	A. I think it was either three or four years.
5	Q. Then you became an SO 6?
6	A. Yes.
7	Q. Do you know what the title is for that level?
8	A. Senior computer scientist.
9	Q. Which office were you in?
10	A. You mean building?
11	Q. Yes.
12	A. I started at Barley Mill with DuPont, then we
13	moved into the Christina Corporate Center, moved around
14	there a couple, was on-site with DuPont at J.P. Morgan,
15	and then back at Christina Corporate Center.
16	Q. Did your salary increase each year?
17	A. Yes. There was one year when there was no
18	increase. I think it was in 2003.
19	Q. You received a letter when you were transferred
20	from DuPont; is that right?
21	A. I received an offer of employment for CSC when
22	I left DuPont, yes.
23	MR. SEEGULL: Mark this as Exhibit 1.



(Deposition Exhibit No. 1 was marked for

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     identification.)
 1
    BY MR. SEEGULL:
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               I'm showing you what's been marked as
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    Exhibit 1. Why don't you take a moment to look through
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     it.
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                    MR. WILSON: Was this produced?
 7
                    MS. BOYD: Yes.
 8
                    THE WITNESS: That number is different.
 9
    BY MR. SEEGULL:
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               Have you had a chance to review Exhibit 1?
         Q.
11
         Α.
               Yep.
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         0.
               Do you recognize this document?
13
         Α.
               Yes.
14
               What is it?
         Q.
15
               This is the offer of employment that I
         Α.
16
    received.
17
               Who is Dorothy Eltzroth?
         0.
18
               She was HR director when we cut over. That's
         Α.
    what it says.
19
20
               Do you know her?
         Ο.
21
         Α.
               Not personally, no.
22
               This was trying to lay out how it was going to
         Q.
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    work when you came over from DuPont, correct?
24
         Α.
               It says this basically is the details of
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40 1 compensation and benefits that I would start -- that I 2 would get when I started working. 3 Q. One of the things it refers to is the 4 Management Incentive Program. 5 Α. Yes. 6 0. That's in the third full paragraph? 7 Α. Yes. 8 0. It says, of course, that you will be included 9 in CSC's Management Incentive Program? 10 Α. Yes. 11 Ο. It talks about the requirement of superior 12 contributions to the performance of Horizon Initiatives? 13 Α. Yes. 14 Q. As well as achievement of negotiated management 15 objectives. 16 Α. Yes. 17 Q. Told you that it would run with the fiscal 18 year? 19 Α. Yes. 20 Then it told you that the award will range up Q. 21 to 30 percent of your adjusted base salary? 22 Α. Yes. 23 0. Depending upon your performance. 24 Α. Right.



- 42 1 You understood that you were not guaranteed Q. that you would forever be in a Management Incentive 2 3 Program. 4 Α. I didn't see there would be any reason why I 5 wouldn't. 6 Q. But you understood it wasn't a quarantee. 7 There's no quarantees. Α. 8 0. What do you mean by that? 9 Well, they can say the pension stopped. Α. 10 can say we're not, you know, covering this. As I 11 understand it, the employer can change anything about how 12 you are compensated or your work environment that they 13 want. 14 Before you were transferred from DuPont to CSC, 15 did DuPont hold any meetings with you about the transfer? 16 Α. Yes, we had meetings. 17 Other than the communication you've just told 0. 18 me about from your would-be supervisor about the AMIP, 19 any other communications about the bonus plan? 20 Α. They said it was structured differently than 21 DuPont. They didn't really go into details. 22
  - Anything else? Q.

- Not that I recall. Α.
- 24 Q. Did you receive any documents related to the

43 1 bonus plan? 2 Α. No. 3 Q. Have you ever seen the bonus plan? Α. 4 No. 5 Q. Have you ever seen anything labeled "AMIP"? 6 Α. E-mail communications around the formula for 7 this year, for the coming year or the actually 8 in-existence year because, like I said, they tended to 9 come through in late summer, early fall. 10 Other than those communications, have you ever Ο. 11 seen any policy or plan labeled "AMIP"? 12 Α. I haven't. 13 Q. Do you know if there is such a policy or plan? 14 I assume there is. Α. 15 Q. Why do you assume there is? 16 Α. Because HR documents policies. They wouldn't 17 talk about it if they didn't have it. You've got 18 something with a name, I assume it has specific rules and 19 criteria written down in the bowels of CSC's HR 20 organization administration. 21 Did you ever ask anybody where is my e-mail Q. 22 about the AMIP? 23 Α. No. 24 Q. Why not?



- Well, because it wasn't October. Things happen 1 Α. 2 slowly. I kind of -- I mean, I was kind of wondering, hmmm, I wonder when they're going to start this, because 3 4 it was September. I kind of remember things happening in 5 August, but, you know, I'm busy running the army. you get the e-mail, you say, oh, okay, better fill this 6 7 out.
  - Q. What do you mean fill it out?
  - A. Well, in the past there were the specific individual objectives. So I had to write down my piece of what it was for that year that I would be doing.
  - Q. So for fiscal year 2004, you had not received any e-mail communication about what the criteria would be for the bonus that year.
    - A. Right.
  - Q. Did you know whether or not an individual performance objective would be one of the components?
- 18 A. No.

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- 19 Q. It had been a component for sometime in the 20 past, yes?
- 21 A. Yes.
- Q. But for the immediately preceding year it had not been a component?
- A. Correct.



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Α. Day sales outstanding. That's their newest buzz word to try to make the balance sheet look good.





Α.

I believe so.

1 | end of the year?

- A. Correct.
- Q. So they couldn't calculate your bonus at any one moment in time during the course of the year.
  - A. Correct.
  - Q. I'm not a mathematician. I know you are. But can you just explain to me why that would be?
  - A. Well, you don't know how well you've gotten your earnings or your objectives. You could get -- you could make assumptions to get an estimate, but you don't have the numbers. You don't know if you met operating income or return on investment or whatever numbers until the end of the period and you've run your numbers, you have your year's worth of sales, etcetera.
  - Q. So as of the time that you were told you were not going to be participating in AMIP, the company was not in a position to give you a bonus for that period of time of the year that had already passed. Is that correct?
  - A. They would probably have -- they would have chosen not to have gone through that exercise because of the way they do goal-setting.
- Q. Just answer my question, though. The company could not have prorated your bonus as of September of

A. Correct.

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Q. Wait until I complete my question. It's very difficult for the court reporter. I don't want to make it too difficult for her.

Isn't it true that as of September 2003, any AMIP bonus for you could not have been prorated?

Correct?

- A. Prorating means that, when it would be awarded, which would be at the close of the fiscal year in 2004, it would be prorated for those months of participation.
- Q. So you're saying they could have prorated at the end of the fiscal year, correct?
  - A. Right.
- Q. But they couldn't have prorated at the middle of the fiscal year in September 2003, correct?
  - A. Correct.
  - Q. Sitting there in September of 2003, you had no way of knowing how much your bonus would have been at that point in time up until that point in time, correct?
    - A. Correct.
  - Q. That is, up until that point in time in September of 2003, you hadn't earned anything.
    - MR. WILSON: Object to the form.
    - A. I had participated in the plan by being an

Case 1:05-cv-00010-JJF Page 25 of 53 67 prorata and you think prorata means by time spent in the 1 2 It was not done prorata, correct? 3 Α. Correct. 4 Now, do you know in the fiscal year 2004 5 whether or not an individual performance objective was a 6 component of the plan? 7 Α. I have no idea what the 2004 components were. 8 You haven't spoken to anybody who was subject Q. 9 to the 2004 AMIP plan? 10 Α. No. 11 0. You have never seen a completed worksheet? 12 Α. No. 13 0. How did it work at the end of every fiscal year 14 when you would get your bonus? Did you get a completed 15 worksheet back from the company? 16 I think they would show us a copy of it. Α. Sometimes we would get a hard copy. I do not recall it 17 18 coming via e-mail. 19 Q. Who was it that would show it to you? 2.0 Α. That would be my supervisor. 21 Who is that? 0. 22 Debbie Cebula. Α.

- 23 Q. How long has Mrs. Cebula been your supervisor?
- 24 Α. Five or six years.



participating in AMIP or not, correct?

- A. I was participating, okay, because I had a letter that said you will be included.
- Q. How long after you received the completed worksheet and met with Ms. Cebula did you receive the bonus payment?
  - A. Hours or days.

- Q. Or maybe right at the same time?
- A. I mean, I'm trying to think. It may be a scenario of the payday would be Friday, we would have visibility to our pay stubs on Tuesday, so we would actually know the amount, and on Wednesday or Thursday she would actually talk to us as to how it was calculated.
- Q. What were you told in September of 2003 about no longer being a participant in AMIP?
- A. The entire communication was in the letter and a statement that something to the effect of it's because now it's only going to managers; they're enforcing that old rule that we had been excepted from in the past.
- Q. So am I correct that you had no communications with anybody else about your no longer being a participant in AMIP other than that letter?
  - A. That was the first time I heard anything about

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- Q. Was that the only time you spoke to anybody in the company about it? I say "spoke." You didn't speak to anybody. Was that the only communication you had with anybody about no longer being a participant in AMIP?
- A. Basically, yes. I mean, some of the other people who I believed lost it, we started talking about, boy, this seems pretty unbelievable.
  - Q. Other than that?
- 10 A. No.
  - Q. No other communications?
- A. No. And then the letter from Bill saying please respond to the letter that you received.
  - Q. What was your understanding of what it meant when you received the letter?
- A. It meant that CSC had on September 11th
  declared that effective April 1st I was no longer to be
  participating.
- Q. Did you understand that meant that you would no longer receive any AMIP?
  - A. I suspect that to be the case.
- 22 Q. That's what you understood it to mean.
- 23 A. Yes.
- Q. Did you understand that you were not going to

Α. Yes.

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(Deposition Exhibit No. 2 was marked for



would, quote, not have been eligible.

- 73 1 Were you handed this letter? Q. 2 Α. Yes. 3 By Debbie Cebula? 0. 4 Α. Yes. 5 Q. You were told you were eligible for a 6 discretionary bonus. 7 That's what it said. Α. 8 You were eligible for up to \$10,000 in 9 discretionary bonus, correct? 10 Α. That's what it said. 11 Q. And you would not have been eligible for a 12 discretionary bonus if you had remained in the AMIP. 13 Α. I assume that to be so. 14 Ο. That's what you understood. 15 Α. I don't know that they implemented a discretionary bonus program. CSC has changed over the 16 17 years as to whether a person can participate in multiple 18 bonus programs or not. So I don't know what the current 19 rules as to whether you would be eligible for two 20 bonuses, performance bonuses, or not. It's likely that with AMIPs I would not have gotten -- have been eligible 21 22 for any other bonus. 23 Q. That was your understanding.
  - A. That is the way it had worked the last couple



1 | Exhibit 4 was sent.

- 2 Q. You provided answers to interrogatories in this 3 case.
  - A. Yes.

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- Q. One of the questions we asked you in the interrogatories was to provide a statement as to your damages, correct?
- 8 A. I believe so.
- 9 Q. You identified your damages as being 10 \$15,667.86. Does that number sound familiar?
- 11 A. Probably.
- 12 Q. Is that yes?
- 13 A. Yes.
  - Q. And that was what, your estimate of what or your statement of what?
  - A. That's my statement of not knowing the formula for the 2004 AMIP, I used the average that I had gotten over the last couple years, assuming that CSC financials were as good, if not better, than the prior years so that the base for the calculation would be the same, and then applied that percentage to my salary for the time period up through the notification.
  - Q. So this was an estimate of what you felt was the amount of AMIP bonus that should have been prorated



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- 1 for the period of time up until the point that you were 2 notified you were no longer participating.
  - A. Yes.

- Q. And just tell me how you went about coming up with this estimate.
- A. As I recall, I took the average percentage for the prior three years --
- 8 Q. What do you mean "percentage"? Percentage of 9 what?
- 10 A. Percentage of my salary that my AMIP had 11 represented.
- 12 Q. So maybe you took the AMIP that you had 13 received in 2002?
- 14 A. Right.
- 15 Q. 2001?
- 16 A. '2 and '3.
- Q. The AMIP dollars that you had received in 2002, the AMIP dollars you had received in 2003, and figured
- 19 out what percentages they were for each year?
- 20 A. Yes.
- Q. And then what did you do, you averaged those percentages?
- A. Then I believe I averaged those percentages and then took that percentage over the salary.

- Q. For fiscal year 2004?
- A. For six months of 2004. Fiscal 2004.
- Q. So six months. Why do you say six months if you were notified in early September?
  - A. Well, because of the pay-period cycle.
  - Q. What do you mean?

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- A. Well, CSC pays on a two-week pay-period cycle. So I used through the end of September as that would be the pay stub that corresponds to the period that this -- from when I received the notice. It could be one pay period less if you want to say that pay was for --
- 12 Q. The period after you were notified.
- A. That was the pay for the work in the period I
  was notified. So I didn't quibble over the three days of
  pay inside that pay period.
  - Q. Why did you choose that method of coming up with an estimate?
    - A. Because it was easy.
    - Q. There are other methods to estimate, right?
  - A. Yes.
- Q. What are some other ways that you could have estimated how much AMIP --
  - A. I could have taken the highest amount rather than the average. I could have looked at some of the

- classic CSC performance metrics to see if they were -- I could have pretended to do my own AMIP calculation to see if the formula would have been better this year than other years.
  - Q. Or worse?
- A. Or worse. But not knowing what the formula was, speculating and doing the arithmetic of finding out earnings per share and some of those calculations, this seemed like a simple and fair way to get there. Knowing the formula would be better, but I didn't have access to that information.
  - Q. You have no choice but to estimate.
- 13 A. Right.

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- Q. You also could have averaged your AMIPs over the past three or four years.
- 16 A. Yes.
  - Q. And then prorated it for a period of time.
- A. But then you have to adjust it for the increased salary.
  - Q. There are just different arbitrary ways of calculating a bonus.
    - A. Well, the AMIP's bonus is a percent of salary.
  - Q. But these are all arbitrary ways of estimating.

    One is no better than another. There are just different

- Q. Sometimes a company has to make decisions about how to save money?
  - A. Are you talking about fiscal 2003 or fiscal 2004?
    - Q. I'm talking about fiscal 2003.
- 6 A. Okay.

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- MR. WILSON: Let him finish.
  - Q. You would agree that sometimes companies have to make tough decisions about how to save money, retain employees, improve the financial performance of the company?
- 12 A. Yes.
- Q. And that a company has to use its best business judgment to do that.
  - A. Yes.
- Q. And you understand that realigning AMIP with its original intent allowed the company to save a lot of money, correct?
- MR. WILSON: Object to the form.
- A. Yes, it would allow them to save money.
- 21 Q. That's a legitimate objective of the company.
- 22 A. Yes.
- Q. So you don't have a problem with the idea that people will no longer be subject to the AMIP. You just

#### CERTIFICATE OF REPORTER

STATE OF DELAWARE)

NEW CASTLE COUNTY)

I, Kimberly A. Hurley, Registered Professional Reporter and Notary Public, do hereby certify that there came before me on the 12th day of January, 2006, the deponent herein, WILLIAM E. SPERATI, who was duly sworn by me and thereafter examined by counsel for the respective parties; that the questions asked of said deponent and the answers given were taken down by me in Stenotype notes and thereafter transcribed by use of computer-aided transcription and computer printer under my direction.

I further certify that the foregoing is a true and correct transcript of the testimony given at said examination of said witness.

I further certify that I am not counsel, attorney, or relative of either party, or otherwise interested in the event of this suit.

Kimberly A. Hurley
Certification No. 126-RPR
(Expires January 31, 2008)

DATED:



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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

BRIAN MILLER, HECTOR CALDERON, )
CHARLES FOLWELL, DAWN M. )
HAUCK, KEVIN KEIR, ASHBY )
LINCOLN, KAREN MASINO, ROBERT )
W. PETERSON, SUSAN M. POKOISKI, )
DAN P. ROLLINS, and WILLIAM )
SPERATI, )

Plaintiffs, )

V. ) C.A. No. 05-10-JJF
COMPUTER SCIENCES CORPORATION, )

Defendant. )
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Deposition of DANIEL P. ROLLINS taken pursuant to notice at the law offices of Potter Anderson & Corroon, Hercules Plaza, 6th Floor, Wilmington, Delaware, beginning at 8:55 a.m., on Friday, January 13, 2006, before Kimberly A. Hurley, Registered Merit Reporter and Notary Public.

## APPEARANCES:

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			110
1	Α.	Computer science, business.	118
2	Q.	Any other postcollege education?	
3	Α.	No.	
4	Q.	Where did you go to work after Ohio State?	
5	А.	DuPont.	
6	Q.	Where was that?	
7	А.	In Wilmington.	
8	Q.	What was your position?	
9	А.	I was a systems analyst.	
10	Q.	Do you have any other education or training	
11	other tha	n your college curriculum?	
12	Α.	No.	
13	Q.	Have you ever received any professional or	
14	work-rela	ted certifications?	
15	А.	No.	
16	Q.	Have you ever received any awards or honors?	
17	Α.	No.	
18	Q.	How long did you work at DuPont?	
19	Α.	Thirteen years.	
20	Q.	So until about '96?	
21	Α.	'97.	
22	Q.	Was it until June of '97?	
23	Α.	Yes.	
24	Q.	And then you began working at CSC?	



Page 39 of 53 119 1 Α. Correct. 2 Q. You came over with everybody else who was 3 outsourced from DuPont? 4 Α. Yes. 5 Q. What was the highest position you held at 6 DuPont? 7 Α. It was a level 5 was the grade level, and I 8 don't know the position title. 9 Were you on a management track or the technical Q. 10 track? 11 I started technical, I went over to management, Α. 12 and then I switched back over to technical. 13 Q. Were you a manager by the time you left DuPont? 14 I was technical when I left DuPont. Α. 15 Did your salary increase every year that you Q. 16 were at DuPont? 17 Α. Yes. 18 Q. Did you receive a bonus every year that you 19 were at DuPont? 20 Α. The last three years, I believe. 21 Q. So you received a bonus in 1995, '96, and '97? Α. Yes, roughly.

- 22
- 23 Q. How much did you receive in 1995?
- 24 Α. I think the first bonus was close to \$13,000.



1.5

- A. Parts of it were me and him and parts of it involved Jim Walla I believe was also there.
- Q. Three-hour meeting is a pretty long meeting.

  Tell me what you discussed during that meeting.
- A. Just he had presented basically what they were doing with the outsourcing and what would result if the people that chose not to go with the plan and the benefits of going with the plan.
- Q. What did he tell you would happen if you didn't transition over to CSC?
- A. He said there was a good chance I wouldn't be able to stay in my current assignment, because I was working with a package called SAP. He said going with DuPont -- and they were outsourcing all the computer portions of that and I'd have to find some other position within DuPont.
- Q. What did he say would happen if you did come with the transition?
- A. Pretty much that the job would go unchanged and salary and benefits would be as good or better than if I stayed at DuPont.
  - Q. He never guaranteed you anything, did he?
- A. I don't know that he could have guaranteed me anything.



127 1 0. Why is that? 2 I just was listening what he was saying. I 3 didn't ask him to sign a contract. That's not something 4 you would do with your manager that comes out to talk to 5 you. 6 0. There are no guarantees in life, right? 7 Α. Correct. 8 0. Was he telling you what he expected would 9 happen if you came over to CSC? 10 Α. Yes. 11 He was giving you his best impression of the 0. 12 intent of the company at the time? 13 Α. Correct. 14 0. Do you think he was being honest? 15 Α. Yes. 16 He was trying to describe to you as he Q. 17 understood it the terms of the AMIP plan at that time? 18 Α. Correct. 19 He never told you that the AMIP plan will never Q. 20 change, did he? 21 Α. I don't think that came up. 22 He wasn't promising you that the terms of the Q. 23 AMIP plan would never change, correct? 24 Yeah, I don't think that... Α.

128 1 Q. He never said that your salary will never 2 change? 3 Α. No. 4 You understood that your compensation could 0. 5 change? 6 Α. Yes. With DuPont, once you made the variable 7 comp. level, we didn't know of anybody that lost it. So 8 you kind of came to expect that you would get that every 9 year. 10 But it wasn't a quarantee? Q. 11 Α. No, nothing is a guarantee. 12 0. For instance, you could be demoted? 13 Α. Correct. 14 Q. If you were demoted into a different level, 15 then you wouldn't get it, correct? 16 Α. Correct. 17 Or they could change the terms of the variable 18 comp. plan to make it only for level 6 and above, 19 correct? 20 Α. Sure. 21 0. That's what DuPont could have done? 22 Α. Correct. 23 Q. And CSC could have done the same thing? 24 Α. Uh-huh.



it every year. So you just expected you were going to receive it until they told you you weren't.

23

24

You would assume that you would be getting a 0.



Document 98-2 Filed 05/24/2006 Case 1:05-cv-00010-JJF Page 44 of 53 137 1 you had received one in the prior fiscal year. 2 Α. Correct. 3 Q. So you would assume that, if it's happening one 4 year, it's going to happen next year. 5 Α. Correct. When you were hired by CSC, you didn't have a 6 Q. 7 contract of employment, correct? 8 Α. No. 9 Q. You were an at-will employee? 10 Α. Correct. 11 Q. You are still an at-will employee? 12 Α. Correct. 13 I know you don't know the title, but do you 0. 14 know the level position that you were hired at when you 15 came on to CSC?

- A. I think it was also a level 5 position.
- Q. Are you still a level 5 position?
- 18 A. Yes, I believe so.
- 19 Q. Do you know if that's a management-level
- 20 position?
- 21 A. I couldn't tell you.
- Q. Did you receive an offer letter when you came over to CSC?
- 24 A. Yes.



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138
 1
                     (Deposition Exhibit No. 7 was marked for
 2
     identification.)
 3
     BY MR. SEEGULL:
 4
                Mr. Rollins, I'm showing you what's been marked
         Q.
 5
     as Exhibit 7. Do you recognize this?
 6
         Α.
                Yes.
 7
         Q.
                What is it?
 8
         Α.
                That's the offer letter from CSC.
 9
         Q.
                Is this the one that you signed in March of
10
     197?
11
         Α.
               Yes.
12
         Q.
               This has some language about the bonus plan.
13
     Do you see that? In the third full paragraph which
14
     starts "In addition."
15
         Α.
               Yes.
16
               This has a brief description of the Management
17
     Incentive Program, correct?
18
         Α.
               Correct.
19
         0.
               You can put that aside.
20
                    Other than this offer letter, were you
21
    provided any documents about the bonus plan at any point
22
    in time?
23
         Α.
               I don't recall.
24
                    MR. SEEGULL: We have got to call the
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148
 1
                     MR. SEEGULL:
                                   I will confer with Mr. Raimo
 2
     about whether or not that's necessary, and, if so, we
 3
     will submit a separate cover letter laying all that out.
 4
                     THE COURT: At the time that you do your
 5
     mediation statement.
 6
                     MR. SEEGULL:
                                   Yes.
 7
                     THE COURT:
                                 Thank you.
 8
                     MR. SEEGULL:
                                   Thank you, Your Honor.
 9
                     (End of telephone conference.)
10
     BY MR. SEEGULL:
11
         Q.
               What does AMIP stand for?
12
         Α.
               I couldn't tell you.
13
         Q.
               You just understand it's the bonus plan?
14
         Α.
               Right.
15
               We talked about the fact that at some point in
         Q.
16
     September of 2003 you were told that you would no longer
17
    be eligible for receiving the AMIP for that fiscal year.
18
         Α.
               Correct.
19
               That, you think, was on September 11th?
         Q.
20
         Α.
               Right.
               That's when you received the letter?
21
         Q.
22
               Uh-huh.
         Α.
                        Yes.
23
         Q.
               Did you have any other communications, verbal
    or written, about this issue other than that letter?
24
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- A. Yeah. I think I received a phone call from

  Alan Kronmiller, my supervisor, and he kind of explained

  the situation, and he didn't -- kind of indicated he

  didn't agree with what was going on, but that's what was

  going on.
  - Q. Was this conversation with Mr. Kronmiller before or after you received the letter?
- A. I believe it was before, but I can't tell you 9 100 percent.
- 10 Q. He told you you should expect to receive a letter confirming this?
- 12 A. Correct.

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- Q. How long was this telephone conversation?
- 14 A. I don't know.
- Q. Was it relatively short?
- 16 A. Yeah, most calls with him are short.
- Q. At most five to ten minutes?
- 18 A. Yes.
- Q. What did he tell you about what was going on with the AMIP?
  - A. He just said they were looking to make some changes and that we may no longer be receiving it.
  - Q. Did he tell you that the company was looking to change the AMIP plan by realigning it with its original

- 1 | intent to make it more of a senior management focus?
- 2 A. Yeah. I can't remember the exact conversation.
  - Q. But was it words to that effect?
  - A. I would say so, yes.
  - Q. You understood that was what the company was trying to do, correct?
  - MR. WILSON: Object to the form.
  - A. I can't say I understood it. I really didn't agree with what he was saying, and he didn't agree with what he was saying.
  - Q. I understand that you disagreed with the idea that you should be removed. You thought you shouldn't be removed.
- 14 A. Correct.

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- Q. But you understood that what the company was trying to do was to make the plan more consistent with what its original intent was, which was to make it exclusively a bonus program for senior management.
- MR. WILSON: Object to the form.
- A. I didn't understand that, what he was saying.
- 21 | I don't remember him saying those words.
- Q. Did you know that the original intent of the program was to be a bonus program for senior-level management?



155 1 bonus? 2 Α. No. 3 Do you know on what basis they decide who gets Q. 4 it and who doesn't? 5 Α. No. 6 At the time that you received this letter, 0. 7 Exhibit 8, you understood you would no longer be getting 8 AMIP payments, correct? 9 Α. Correct. 10 You knew that you were no longer eligible under Q. 11 the AMIP plan? 12 Α. Yes. 13 Q. You also knew that this discretionary bonus you 14 suddenly became eligible for, correct? 15 That's what the letter said. Α. Yes. 16 You had not been eligible for the discretionary Q. 17 bonus before, correct? 18 Α. Correct. 19 So you understood that, although the company 20 was taking away your eligibility from AMIP, they were 21 giving you something, as well, which is eligibility for 22 the discretionary bonus. 23 Α. Yeah. That's what was said in the letter, but, 24 like I said, I never saw anything of the discretionary



- A. I'm not sure I understand.
- Q. The company could, for instance, look at the past five years of your AMIP payments and do an estimate.
  - A. They could, yes.
  - Q. And they could also take what would have been your AMIP payment for the entire year if they could figure that out and divide that by two to come up with another estimate?

MR. WILSON: Object to form.

10 A. Okay.

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- Q. Is that right?
- 12 A. They could.
- Q. So there are all different ways of coming up
  with estimates, but you tried to come up with one form of
  an estimate.
  - A. Correct.
    - Q. Why is it that you have to estimate what your actual damages are?
- A. I think you were asking me to estimate what the actual damages were.
  - Q. Is it because you don't know what your actual damages are, you have to estimate them?
    - A. Correct.
- Q. Is that because you don't know what you would



165 have been paid in an AMIP bonus for those six months? 1 2 I know approximately what it would have been. 3 0. But you don't know because you never were paid 4 an AMIP bonus for that year? 5 Α. Correct. 6 Q. The decision to remove you from AMIP 7 eligibility was not a personal decision about you, 8 correct? 9 Α. True. 10 0. The company removed all people at a certain 11 salary level, correct? 12 I assume so. I don't know that. Α. Yeah. 13 Ο. That's what your understanding is? 14 Α. Yes. 15 The salary level was salary level 6 and below, Q. 16 correct? 17 Α. Yes. I believe so. 18 You would agree that in fiscal year 2003 and Ο. 19 starting in fiscal year 2004, it was a tough economic climate for the company at that period of time. 20 21 Α. Yes, I believe so. 22 You understood that the company was trying to Q. 23 save money? 24 Α. Correct.

problem with it is probably an incorrect statement.

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177
     know that as a fact?
 1
 2
               No, I don't.
         Α.
 3
               Had you ever heard of the discretionary bonus
         Q.
 4
     before?
 5
               This was the first I heard about it.
         Α.
 6
                     MR. WILSON: That's all I have.
 7
     BY MR. SEEGULL:
 8
               Mr. Rollins, you don't know how AMIP was
         Q.
 9
     calculated year to year, correct?
10
         Α.
               Correct.
11
         Q.
               You don't know what the factors were that were
12
     used in determining how much the AMIP would be for any
13
     employee?
14
         Α.
               Correct.
15
               So it's possible that the formula that was used
16
     for you changed year to year?
17
         Α.
               It's possible.
18
         Q.
               You don't know one way or the other?
19
         Α.
               No.
               That's correct?
20
         Q.
21
               Yes. I believe so.
         Α.
22
               In the three exhibits that your attorney used,
         Q.
23
    exhibits 10, 11, and 12, those are what you call pay
24
    stubs?
```